

STATE STUDENT ASSISTANCE COMMISSION OF INDIANA



ACTIVITY AND PROGRAM REPORT
FOR ACADEMIC YEAR
2004-2005

SEPTEMBER 2005

Activity and Program Report for Academic Year 2004-2005

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A MESSAGE FROM THE DEPUTY DIRECTOR

... *Dennis Obergfell*

As stated in this report, SSACI's mission is to help make college more affordable for needy Hoosier students, to foster school choice, to increase academic preparedness and to make intelligent use of data, research and technology to improve the delivery of aid to students. As an agency SSACI has worked hard to honor its mission by being focused on both today *and* tomorrow.

As a state, Indiana has worked hard to fulfill its commitment to helping Hoosiers wanting a postsecondary education. Through the leadership of the Governor, both parties of the General Assembly and our Commission, higher education has been made more affordable for Hoosier students regardless of means. In fact, SSACI's targeted financial aid programs have been instrumental in improving the state's college-going rates and making sure that higher education is accessible to those who are fiscally less fortunate.

This focus on higher education is critical given the accelerated economic shift that increasingly depends on an educated workforce. The days when our economy could flourish when only a one-third of our students had the academic credentials to attend college, with the remainder prepared for working on a farm or in a factory, are gone. Today, most of those who go straight from high school to the workforce need at least the same skills and knowledge as a student entering college. Global forces are at work changing the shape and nature of the state's economy every minute and those forces necessitate a greater focus on preparing an economically competitive labor force.

In his best selling book "The World is Flat" author and columnist Thomas Friedman wrote that when he was growing up, his parents told him to finish his dinner because people in China were starving. "I am now telling my daughters, "Girls, finish your homework – people in China and India are starving for your jobs."

For Indiana to compete and succeed in a global economy it needs more Hoosiers focused on acquiring and honing their knowledge, skills and abilities through higher education. The state's wealth of outstanding public, private and proprietary schools provides Hoosiers with the necessary academic resources. And SSACI's strong financial aid programs and its policy of linking higher grant award amounts to those who have graduated from high school with Core 40 and Academic Honor credentials are designed to make sure those resources are used to their fullest.

COMMISSION ADMINISTRATION

Commission Members

By Congressional District

As of August 2005

State Student Assistance Commission	
1 ST CONGRESSIONAL DISTRICT Vacant	6 TH CONGRESSIONAL DISTRICT Vacant
2 ND CONGRESSIONAL DISTRICT Mr. Andre Gammage South Bend, IN Term: 2006	7 TH CONGRESSIONAL DISTRICT Mr. Steven Campbell Indianapolis, IN Term: 2007
3 RD CONGRESSIONAL DISTRICT Mr. Thomas K. Borne Fort Wayne, IN Term: 2006 <i>Vice Chairperson</i>	8 TH CONGRESSIONAL DISTRICT Ms. Katherine Startin Velpen, IN Term: 2007
4 TH CONGRESSIONAL DISTRICT Ms. Teresa Cotton Indianapolis, IN Term: 2006	9 TH CONGRESSIONAL DISTRICT Vacant
5 TH CONGRESSIONAL DISTRICT Mr. Mike Kennedy Kokomo, IN Term: 2007 <i>Chairperson</i>	STUDENT MEMBER Ms. Deborah Crissman Valparaiso, IN Term: 2005 <i>Indiana University-Purdue University at Indianapolis</i>



Commission Staff

As of August 2005

Administrative Division

Dennis Obergfell	<i>Interim Executive Director & Deputy Director</i>
Nick Vesper	<i>Director of Policy Analysis & Research</i>
Helen Curley	<i>Executive Secretary</i>
Yvonne Heflin	<i>Human Resources Coordinator</i>
Basu Maharjan	<i>Senior LAN Administrator</i>
David Falls	<i>Senior Systems Analyst and Developer</i>

Accounting Division

David Highfill	<i>Controller (on active duty with the Indiana National Guard)</i>
Bonnie Davis	<i>Acting Controller</i>
Larry Walters	<i>Mail Room Supervisor</i>

Grant and Scholarship Division

Dennis Obergfell	<i>Director</i>
Kathryn Moore	<i>Assistant Director</i>
Ada Davis	<i>Program Counselor</i>
Vacant	<i>Program Counselor & Outreach Coordinator</i>

Special Programs Division

Yvonne Heflin	<i>Director</i>
Tina Humphrey	<i>Minority Teacher Program Coordinator</i>
Zerda Blackmon	<i>Nursing Program Coordinator</i>

Twenty-first Century Scholars Division

Seana Murphy	<i>Director</i>
Vacant	<i>Deputy Director</i>
Tene McDonald	<i>GEAR UP Coordinator</i>
Allison Knox	<i>Scholar Coordinator</i>
Ginny Ort	<i>Administrative Support</i>
Salena McClendon	<i>SEAS Enrollment Specialist</i>
Vacant	<i>SEAS Enrollment Specialist</i>



ACTIVITIES

The academic year 2004-05 saw many changes at the State Student Assistance Commission of Indiana (SSACI) and the state of Indiana. A new governor took office in January, the agency's Executive Director resigned, and there were a number of legislative changes that became effective in July 2005: a new fee remission program was added and another limited in scope. It was also a budget year for the FY06 and FY07 biennium and despite a continuing fiscal strain in the state, SSACI's grant budget was strongly supported by the legislature and the administration.

Despite the challenges, SSACI made every effort to meet its goals to make college more *affordable* for increasing numbers of students, to foster *choice* in where students could attend college, to increase academic *preparedness* for college, and to use *research* and *technology* to improve the delivery of awards to Hoosier students.

Challenges to the Budget

The 2003-04 and 2004-05 academic years saw a number of budgetary challenges for SSACI. The Indiana University system, Ball State University, and Indiana State University joined the Purdue University System in continuing a two-tiered tuition system with new students paying an additional \$500 to \$1,000 depending on the campus, which amounted to a 20% to 34% increase in costs for new students.

However, unlike the average 12% increase in public tuition during 2003-04, this year saw more modest increases of 5% to 6% throughout all sectors.

Although modest, the increases immediately impacted the 21st Century Scholarship and the National Guard Supplemental Grant, both of which are indexed to the current tuition charged to students. Overall the large increases in tuition during the 2003-05 biennium put a strain on SSACI's budget that had been created in 2002-03.

Response to Budget Shortfall

The 2003 General Assembly changed the way in which SSACI could reduce the Higher Education Award and Freedom of Choice grant in the event funds were not adequate to meet demand. The method had been *pro-ration* in which all awards would be reduced uniformly, regardless of the college the student attended and regardless of financial need. The new method allows SSACI to set a maximum award for each of the institutional sectors: public, independent, and proprietary.

This change together with limited appropriations meant that for the second year in a row, SSACI placed a cap on the maximum college tuition it could subsidize in both the public and independent sectors. For 2004-05 it set the maximum public college cap at \$4,700 and the independent college cap at \$9,100.

Biennial Budget Presentations

A major activity of SSACI this year was to present its 2005-07 biennial budget request in a number of venues: State Budget Committee, Senate Appropriations Committee, and the Commission for Higher Education. Operating under severe financial restrictions, all special program grant requests were held at 2004-05 appropriations and the Agency administrative budget reduced by 5%. The

Higher Education Award and Freedom of Choice Grant funding requests were increased to off-set anticipated higher enrollment but the tuition caps in place since 2003-04 were maintained.

Continuing Initiatives

Despite these challenges, SSACI continued to build on a series of initiatives, especially in technology, to increase efficiency and productivity.

New GEAR UP Grant

SSACI's Office of Twenty-first Century Scholars successfully completed an application for a new GEAR UP grant for FY06 through FY11. The grant is for \$18.6 million over 6 years. The current grant, begun in 1999 and extended for two years, ends in August of 2006.

GEAR UP Summer Scholarship

The Twenty-First Century Scholars GEAR UP Summer Scholarship program is designed to help 21st Century Scholars take the prerequisite classes they need during the summer term. It pays for tuition, books, and room and board when living on campus is required by the institution. It was expanded in 2003-04 to include all summer classes not just prerequisites, thus increasing the likelihood the students will graduate within four years.

GEAR UP Mentoring Program

The Twenty-First Century Scholars GEAR UP Mentoring program is designed to enable college junior and senior Scholars to serve as mentors to freshmen and sophomore Scholars. During the academic year, mentors are required to devote 20 hours per week to providing

services to their fellow Scholars, for example, assistance in negotiating the college experience, academic tutoring, and peer to peer counseling. The mentor receives a stipend to supplement their other grant aid up to the cost of attendance less the expected family contribution.

INGUS: Indiana National Guard Update System

The Indiana National Guard Update System, **INGUS**, was developed as a web-based Internet application to facilitate the reporting of eligible Air Force and Army Indiana National Guard members to SSACI. The data is used to determine if the student is eligible for the National Guard Supplemental Grant (NGSG). Because the NGSG is awarded term by term, records must be entered or updated for each term. The reporting is crucial to the success of the NGSG program.

INGUS allows the user to

- Enter data on-line, one student or several students at a time; or upload a text file containing all student records.
- Update student records on-line to make necessary corrections to, for example, dates of birth or Social Security Numbers.
- Update student records on-line to change program status until a cutoff date, which varies by term.
- Print or display all records entered.

Hoosier Scholar Online Database

In the past, the State Student Assistance Commission of Indiana (SSACI) collected Hoosier Scholar candidate information using a paper format which was labor intensive. In an effort to streamline and better facilitate the scholar data collection



process, SSACI developed a web-based on-line application. It is designed to collect from high school counselors all information necessary to award Hoosier Scholarships such as the full name, address, high school, and other pertinent information of each primary and alternate candidate.

Fee Remission, Nursing and Minority Teacher Program Billing

SSACI continued its development of the system for colleges to electronically bill for students in the *Child of Veteran and Public Safety Officer Supplemental Grant Program*. That system was expanded in 2003-04 to include all awards for the Nursing Scholarship and Minority Teacher Scholars, which are granted by the colleges. Colleges no longer have to bill SSACI for these awards using paper rosters and paper claim vouchers.

The system was enhanced to check if the student filed the Free Application for Federal Student Aid (FAFSA), the filing of which is a requirement for all students, and if the application was error free. It also checks award requests against institutional allotments to make sure no college exceeds its award amounts. In the case of the special programs it enables SSACI to verify and track employment once a student graduates.

SEAS: Scholar Enrollment and Affirmation System

In the summer of 2003 the decision was made to move the Twenty-first Century Scholar functions from the Indiana Career and Postsecondary Advancement Center at Indiana University (Bloomington) to SSACI.

Working with outside consultants, SSACI developed the Scholar Enrollment

and Affirmation System, **SEAS**, to fully implement and enhance its ability to enroll, track, and affirm Scholars from middle school to high school. The second phase of the development was completed in January of 2005.

The new system allows enrollment applications and affirmation forms to be scanned for data capture and storage in SEAS, allows images of the forms to be saved in a FileNet system, and provides the tools for staff to verify Scholar GPA requirements.

This web-based fully interactive system is integrated with SSACI's **GRADS** application, which means for example that GRADS award information can be directly updated from SEAS affirmation information.

More Technological Improvements

GRADS

The **Grant Reporting And Delivery System** is a comprehensive client-server system that is the major part of the Agency's electronic data interchange system.

- It tracks parent and student supplied data from the *Free Application for Federal Student Aid* (FAFSA), which students must file each year with the federal government.
- It classifies students according to the type of program and award they are eligible to receive.
- It allows monitoring of FAFSA data to inform students of errors that could prevent them from receiving awards.
- It tracks statutory requirements for award eligibility.

- It creates awards based on the most accurate data available.
- It allows rapid changes in awards if college choices or family finances change before the start of classes.
- It creates electronic rosters of students and awards that can be accessed and processed by colleges.
- It enhanced the ability of the Agency to use Electronic Funds Transfer between the state and colleges for award payments.

In 2004-05, many enhancements were made to GRADS. For example, staff can now remove and add edits on student records. A re-design of the user interface to make GRADS more usable and staff more productive was begun in January and will finish in September.

iXchange

In cooperation with Access Indiana, the Agency improved its secure web-based system that enables colleges and universities to download student award information. **iXchange** is an easy to use and secure system that replaced a multi-stage process for accessing data files. Besides award information the colleges can access copies of all documentation.

eGRADS

In order to bring accurate and timely information to the financial aid offices of the Commission's eligible colleges and universities, **eGRADS** was developed and made available first in 1999. The on-line web-based application allows colleges to access GRADS data to verify current student awards and display award history data. In addition, colleges can examine the status of their student's financial aid application for the coming academic year

as soon as the data is available. In 2002 and 2003 the system was enhanced to display fee remission grants from the CVO Program and grants from the Nursing and Minority Teacher Scholarship programs.

eStudent

SSACI's **eStudent** is a web-based application that enables Hoosier students to view their award history, check on problems with their financial aid applications, and change their college choice. The fact that students can make first-choice college changes on line has reduced the work of the Agency's staff and reduced the number of awards being sent to the wrong school. It was enhanced in 2002 to allow students to print their official awards on demand and in 2003 to display CVO fee remissions and Nursing and Minority Scholarship grants.

CHIPS: Core 40 and Honors Internet Update System

The Core 40 and Honors Internet uPdate System (**CHIPS**) is a web-based internet application that allows high school counselors to list pertinent data on their Academic Honors and Core 40 graduates. The data is used by SSACI to evaluate the student's eligibility for increased financial aid. Counselors can access the system from their offices and can update changes in eligibility throughout the summer before awards are created. Colleges and universities use the data for recruitment purposes.

The system was enhanced in 2003 and 2004 to improve functionality and compatibility with GRADS, for example, it reports to the counselor if the student match was successful and gives a reason if



not. In April of 2005 a web page was added so that students could tell SSACI of mistakes in their diploma status after awards were initially created.

WERRS: Work Experience Resume and Referral System

SSACI's work-study program provides a unique opportunity for college students to earn money during the summer or during college. To maximize the benefits of the program for both students and employers, SSACI greatly enhanced the web-based internet application **WERRS**—Work Experience Resume and Referral System. This system allows SSACI to match students with particular skills, as described in their on-line resumes, to employers needing those skills. **WERRS** was enhanced to enable potential employers to access and download lists of eligible students.

Continuing Improvements: Programs

Fee Remission Programs

In 2002, the Indiana legislature expanded the fee remission program to include the children and spouses of emergency medical technicians killed in the line of duty. The *Child of Veteran and Public Safety Officer Supplemental Grant Program (CVO Program)* previously included the children of certain disabled or deceased veterans and the children and spouses of certain police and firefighters killed in the line of duty. The program is available only at publicly funded Indiana colleges and universities.

In the 2005 legislative session, the program was expanded again to include National Guard members killed while on state active duty. State active duty means

those activities assigned by the Governor such as disaster relief. These duties are in contrast to federal military deployment, a status already covered in the program.

The session also limited participation of disabled veterans in the program to those with a rated disability greater than 0%. Because of the program changes, SSACI engaged the public colleges in a dialog to develop a new set of guidelines for the program. The guidelines are being formulated.

Core 40 and Academic Honors

In 1997, the Agency introduced increased awards for high school students earning the Academic Honors Diplomas. In the following year the program was expanded to include Core 40 diplomas. Core 40 students with at least a 2.00 high school GPA could be eligible for an award 10% higher than otherwise, and Academic Honors students with at least a 3.00 GPA could receive an award 20% higher.

Frank O'Bannon Grant Program

During the 2003-04 academic year, SSACI undertook a study of distance learning courses and how they are integrated with traditional courses in developing financial aid packages for students. The study was completed in 2004-05. After much discussion with schools, SSACI has given permission to eligible colleges to include many distance learning courses as part of a student's credit hour load when determining eligibility for state grants.

PROGRAMS

The Agency administers three types of award programs: a mixed need and merit based award that is a combination of a

tuition subsidy and a family's or student's ability to pay for college; a supplement to the need based award for participants in special programs; and a number of targeted awards based on merit or financial need.

The Frank O'Bannon Grant

This award is the core award administered by the Agency. It requires financial need, full time college enrollment and Indiana residency. It can be used only for tuition and certain fees. It is based on three factors:

- For each eligible postsecondary institution, the *tuition and fees* SSACI will subsidize.
- The *rate* at which the allowable tuition and fees are subsidized.
- The parent's or student's *ability to pay* for a college education.

The Frank O'Bannon Grant formula is simple:

$$\frac{\text{RATE} \times \text{TUITION AND FEES}}{\text{ABILITY TO PAY}}$$

To receive this award a Hoosier student must file a FAFSA so that it is received by the federal processor by March 10th, correct by June 10th, attend college full time, be in a degree-granting program, and maintain satisfactory academic progress.

Tuition and fees

Tuition and fees are set early in the financial aid year. They are determined by each college based on a typical 30 credit hour per year course load plus any regular fees assessed to all students. At public institutions the allowable tuition and fees is usually the advertised tuition or the cap,

whichever is lower. The amount is determined by available funds. For 2004-05 the cap was \$4,700.

The independent college cap is determined each year by looking at the true cost of tuition at Indiana's public colleges. This cost is roughly the state appropriation per student plus the amount a student pays in tuition. The cap is based on a formula that combines the lowest state appropriation per student and the highest public college tuition. It can be modified if funds are not adequate to cover costs. For 2004-05 the private college tuition cap was \$9,100.

Subsidy rate

There are three subsidy rates: 100% for Academic Honors graduates, 90% for Core 40 graduates, and 80% for all other students.

Academic Honors students with at least a 3.00 high school GPA could receive the extra 20% and Core 40 students with at least a 2.00 GPA could receive the extra 10% in grant money.

It is through the subsidy rate that the Agency introduces the merit part of the Frank O'Bannon Grant.

Ability to pay

The parent's or student's ability to pay is determined by the federal government from FAFSA data. Unlike the federal government and other states, Indiana does not count dependent student earnings as part of the ability to pay. Thus students who work to earn money to pay for college can use that money for the costs of education not subsidized by SSACI such as room and board or textbooks. The following table shows the average ability



to pay of students receiving a grant in 2004-05 by institutional type. It includes all students, dependent and independent.

**Average Ability to Pay for College
Academic Year 2004-05**

Institutional Type	Ability to Pay
Public	\$1,445
Private	\$2,518
Proprietary	\$403
Reciprocity Agreement	\$1,237
Community College	\$633
All Students	\$1,525

The Higher Education Award

If a student attends a public or proprietary institution, the Frank O'Bannon Grant is called the *Higher Education Award (HEA)*. The general assembly appropriates a separate budget for this award.

Freedom of Choice Grant

If a student attends an independent college, the Frank O'Bannon Grant is broken up into two parts: 36% is designated the Higher Education Award and 64% the *Freedom of Choice (FOC)* grant. Students attending a private college are thus not given an additional award but their awards are higher because the tuition and fees subsidized are higher. The general assembly appropriates a separate budget for the FOC award but it is supplemented each year with funds from Higher Education Award funds.

The Part-time Grant Program

The award is designed to encourage degree-seeking part-time undergraduates to start or complete their Associate or

Baccalaureate degrees by subsidizing part-time tuition costs. The grant is calculated the same way as the Frank O'Bannon Grant using an 80% subsidy rate and the student's actual part-time tuition and fee charges.

Students must be enrolled in 3 to 11 credit hours to be considered for the grant. Funds are directly allocated to public and private colleges based on their past use of the grants and available funds, which can vary year by year. Colleges determine eligibility and make awards to students subject to Commission guidelines and review. In 2004-05 the typical student was enrolled for 7.5 credit hours and had earned a total of 46.8 hours before receiving the grant.

**Part-time Awards
Percentage of Students by Degree Type**

Year	2-Year Degree	4-Year Degree
2000	49.1%	50.9%
2001	50.5	49.5
2002	48.5	49.5
2003	47.7	52.3
2004	48.0	52.0

Students Receiving Part-Time Grants

Year	Students	Awards
2000	6,620	\$5,902,957
2001	6,366	\$5,344,173
2002	5,764	\$4,849,701
2003	5,695	\$5,246,665
2004	5,775	\$5,681,582

National Guard Supplemental Grant

This program began in the fall of 2000. It is intended to increase the ability of the Indiana National Guard, Army and Air Force, to recruit new members and retain present personnel.

The National Guard Supplemental Grant (NGSG) is similar to the Twenty-first Century Scholars award, but there are differences. First, it is available to both full-time and part-time Guard members. Second, because of special Guard certification, a student could be eligible for the grant one term, not be for the second, but be reinstated for a third. Finally, the grant is available only at Indiana public institutions.

The grant is a supplement to either the Higher Education Award or the Part Time Grant. The idea of the grant is simple: it guarantees to pay up to 100% of certain tuition charges after tuition-specific aid is applied. Members of the Indiana National Guard must meet all requirements for the Frank O'Bannon Grant, be in active drilling status, and not have been AWOL in the preceding twelve months.

Since 2003, the number of Grants has decreased because of deployments of National Guard students to Afghanistan, Iraq, and other areas.

National Guard Supplemental Grants

Year	Students	Awards
2000	503	\$1,026,094
2001	861	\$1,842,824
2002	923	\$2,214,787
2003	841	\$2,215,806
2004	780	\$2,120,394

The Twenty-first Century Scholars Program

The Twenty-first Century Scholars Program is designed to support and encourage youth from lower-income families to enter college through early intervention strategies and grants. Effective in 2002, students could enroll in the program when in the 7th or 8th grade.

The grant portion of the program is a supplement to the Frank O'Bannon Grant. It is the difference between the student's tuition and fees and the Grant. The program covers up to 100% of approved tuition. It is available to Scholars if they affirm their pledge in the 12th grade and enroll in college as a full time student within two years of high school graduation.

The early intervention strategies are aimed at enrolled Scholars and their parents in the seventh through twelfth grades. They are administered from 16 sites around the state covering all 92 counties. The sites are under contract with the Office of Twenty-first Century Scholars and are closely monitored.

The purposes of the Scholar's Program are to:

- Reduce the number of students who withdraw from high school before graduation;
- Increase the number of students prepared to enter the workforce upon graduation;
- Increase the number of low-income students entering institutions of higher education;
- Decrease drug and alcohol use by encouraging higher education pursuits;
- Increase individual economic productivity; and



- Improve the overall quality of life for Indiana residents.

The Scholars program is nationally recognized as a successful early intervention program. It was the topic of a “Best Practices” workshop and meeting sponsored by the National Governor’s Association in August of 2002. One of its key features is its Parent’s Project. Research has repeatedly shown that parental support and encouragement are the most important factors in a decision to go to college. The Scholar’s Program works with parents so that they can fully support their children.

Early Intervention

Scholars engage in a wide variety of early intervention strategies when they are in high school. For example, to introduce more students to college life, the Scholars Program has a minimum standard requiring each of its regional support sites to provide at least 10 campus visits a year. Virtual campus visits have become popular with many students although they are not counted towards the regional support sites minimum standard.

The Office of Twenty-First Century Scholars Program works with local colleges and universities to sponsor camps that allow Scholars access to college campus life during two day and one night retreats. Additionally, many state supported institutions and private institutions sponsor Scholar Days.

In 2004-05,

- 17,726 Scholars received tutoring, mentoring, academic counseling and other support services;
- 2,946 Scholars participated in college visits;
- 5,026 Scholars completed Senior Exit Interviews;

- 924 parents participated in college visits;
- 7,162 parents received services from local support sites;
- 1,110 parents participated in Regional Parent conferences;
- 320 parents attended the Annual State Parent Conference; and
- 20 graduated from the Parent Leadership Academy by completing 120 hours of professional development.

Community Based Activities

To help ensure that young people from at-risk environments stay on track to fulfill their pledge of good citizenry and their goal of higher education, Scholars must have the commitment of the entire community. In addition to enabling Scholars to earn tuition assistance, the program engages Scholars, their families, and their communities in a holistic, network of support initiatives. The aim of these initiatives is to build resiliency—to foster an academically encouraging environment for Scholars, while empowering parents to serve as the educational leaders in Scholars’ lives.

GEAR UP

2004-05 is the last year of what is in effect a six-year \$30 million grant from the U. S. Department of Education. *Gaining Early Awareness and Readiness for Undergraduate Programs*, or GEAR UP, provides funds for early intervention and scholarships for Twenty-first Century Scholars who face financial and other barriers to college success. Five million dollars per year through 2004-05 provided resources to expand regional support services and to fund scholarship

programs, as well as special scholarships and mentoring programs.

GEAR UP Scholarships

Many Scholars need to take basic courses that apply to general credit hour requirements but not to their major programs. If a Scholar takes basic college courses in the summer before enrolling in a regular program in the fall, existing state grants will not pay the costs.

Similarly, Scholars who take basic courses in the fall semester will find themselves falling behind in their major program requirements unless they can attend the following summer session. The *Summer Scholarships* fill the gap for these Scholars.

Expanded in 2003-04, Scholars were permitted to take summer classes in 2004 that apply to their program and which will help them graduate in four years. This increased both participation and costs. However, because that GEAR UP grant is ending, summer scholarships for 2005 were limited to \$3,000 per student.

GEAR UP Summer Scholarship

Years	Students	Grants
2003-04 & 2004-05	1,641	\$1,687,355

The Scholars program has expanded the capacity of the 16 regional support sites to provide early intervention services and to prepare Scholars to succeed in college. Of equal importance is the continuing support of Scholars in the college setting. In 2003 the *Mentoring Scholarship* program was enhanced from a pilot program at five public colleges to include all eligible colleges. This program enables each of the mentoring programs at

the colleges to hire Scholar Mentors. In addition to paying college fees, a salary is paid to students for work performed. The students are junior or senior Scholars and expected to work in the mentoring program up to 20 hours per week for 12 months of the year.

GEAR UP Mentorship

Year	Students	Grants
2004-05	885	\$1,089,203

Scholar Track: Student and Parent Services

Collecting information on early intervention activities for Scholars in high school is essential for the continuing success of the Program. *Scholar Track* is a comprehensive web-based data recording system that tracks Scholars and their parents who are engaged in the activities offered by the sixteen sites across the state. Data is collected on a weekly or monthly basis and used to fine-tune early intervention strategies and meet Scholar needs.

Child of Veteran and Public Safety Officer Supplemental Grant Program

This program—the *CVO Program*—provides tuition and fee assistance at public colleges for eligible children of disabled Indiana veterans and eligible children and spouses of certain Indiana public safety officers killed in the line of duty. The grant pays 100% of tuition and program related mandatory fees; it does not cover fees such as room and board.

Students who might be covered under the *veterans'* portion of the program are:

- Certain graduates of the Soldiers' and Sailors' Children's Home.



- Children of a Purple Heart recipient or a wounded veteran.
- Children of deceased or disabled veteran.
- Children of POW/MIA from the Vietnam War.

Some program restrictions apply and financial assistance may be limited to a maximum number of credit hours. The veteran must meet, or have met, certain Indiana residency requirements, and the child must be the biological child or legally adopted dependent child of the veteran. An application is required through the Indiana Department of Veterans Affairs (IDVA).

Students who might be covered under the *public safety officers'* portion of the program are:

- A child or spouse of a publicly employed police officer, firefighter or emergency medical technician killed in the line of duty.

In most cases the deceased public safety officer must be covered under the 1977 Police Officers' and Firefighters' Pension and Disability Fund, be a public employee, and be one of the following:

- a regular, paid police officer;
- a regular, paid firefighter;
- a volunteer firefighter;
- a county police reserve officer;
- a city police reserve officer;
- a paramedic; or
- an emergency medical technician.

Some program restrictions apply and financial assistance may be limited. Children must be less than 23 years of age, full-time students, and the biological or legally adopted dependent child of the public safety officer. Spouses must be enrolled in an undergraduate program.

An application was introduced by the Agency in 2002-03 and enhanced in 2004-05 and made available on SSACI's web page. As part of the application, the student must have an official letter from the appropriate public safety department verifying that the officer was killed in the line of duty. SSACI verifies the information with the appropriate state agency.

Fee Remissions Used by Students Academic Year 2004-05

Fee Remission Type	Students	Fee Remission
Child of deceased or disabled veteran	5,060	\$14,389,317
Child of deceased public safety officer	5	\$18,705
Child of Purple Heart recipient	350	\$1,062,648
Pupil in Soldier and Sailors Home	27	\$60,756
Spouse of deceased public safety officer	1	\$1,786
Total	5,443	\$15,533,212

Program growth

All Programs

Over the past few years, there have been steady increases in the number of students receiving state aid as well as increases in the costs of the programs. However, the growth in the number of students slowed from 2003-04 to 2004-05 as the following table shows.

Percentage Increase in the Number of
Students Receiving State Aid

2002-03 to 2003-04	2003-04 to 2004-05
6.90%	3.80%

Most of the increases in student numbers have been in the Frank O'Bannon Grant program with the largest increases being in the Ivy Tech system and at proprietary schools.

Scholar's Program

The following table shows the growth in the Scholars program since 2000. It includes only the high school graduates for that cohort year. The students counted in the Enrolled column signed up for the program in elementary school. The Affirmed column shows how many affirmed their Pledge in the 12th grade and planned on going to college. One of the goals of the program is to substantially increase affirmation rates.

21 st Century Scholars Enrolled and Affirmed		
Cohort	Enrolled	Affirmed
2000	6,606	3,410
2001	8,067	3,927
2002	8,299	3,896
2003	9,919	4,780
2004	7,780	4,450

The next table of used awards includes all Scholars enrolled in college for the year; it shows the growth in awards.

Awards Used by 21st Century Scholars

Year	Students	Awards
2000	5,033	\$7,583,425
2001	5,984	\$9,379,520

Year	Students	Awards
2002	6,942	\$12,476,996
2003	7,639	\$14,714,426
2004	8,381	\$17,098,140

Many GEAR UP/21st Century Scholars take advanced high school curricula to earn the Core 40 diploma or more advanced courses to earn the Academic Honors Diploma. Of the 8,381 Scholars receiving state aid in 2004-05, 2,914 had earned the Core 40 Diploma and 2,252 the Honors Diploma.

Academic Honors and Core 40

The following table shows the growth in Academic Honors and Core 40 students receiving state aid since 2000. The Academic Honors program was first introduced as a merit component of the state need-based grant programs in 1997. The Core 40 program was added in 1998.

Students Receiving Extra State Aid

Year	Core 40	Honors
2000	6,812	8,498
2001	8,245	9,288
2002	9,557	10,837
2003	10,696	12,032
2004	13,729	14,533

Targeted Special Programs

The Hoosier Scholar Program

This scholarship is a one-time \$500 award given directly to outstanding high school students entering their first year at an Indiana college. Students are nominated



by their high schools and are usually the top students in their classes.

**Hoosier Scholar Program
2004-05**

Institution Type	Students	Awards
Public	315	\$157,500
Private	437	\$218,500
Proprietary	1	\$500
Total	794	\$376,500

The Minority Teacher and Special Education Services Scholarship Program

This program was created to provide renewable scholarships for African American and Hispanic students preparing for a teaching career. Minority students demonstrating financial need may receive up to \$4,000 annually; for non-minority students the maximum award is \$1,000 and is not need-based. Special education students can receive a scholarship regardless of their ethnicity. Colleges select the recipients and determine the amount of the award when reviewing a scholar's financial aid package. Students are required to work in Indiana after graduation.

**Minority Teacher and Special Education
2004-05**

Institutional Type	Students	Awards
Minority Teachers		
Public	105	\$188,434
Private	39	\$75,132
Special Education		
Public	3	\$1,500
Private	2	\$4,668
Occup. Therapy		
Public	2	\$2,000

Institutional Type	Students	Awards
Total All Programs	149	\$269,734

The State Work Study Program

The program is designed to help students gain work experience and earn money towards their college expenses. It subsidizes the hourly wages of students so that not-for-profit agencies and postsecondary institutions can hire the students within their limited budgets. It is available only to students receiving a need-based state grant in the prior year.

**Work Study Program
2004-05**

Employer	Students	Awards
Public Institutions	93	\$75,623
Private Institutions	91	\$103,848
Not-for-Profit	151	\$199,586
State Agencies	51	\$100,456
City & Local Govt.	220	\$276,453
Totals	586	\$755,966

The Nursing Fund Scholarship Program

This program is designed to encourage students to pursue a career in nursing. Certain eligible institutions are allocated money based on the number of nursing students they enroll. The scholarship is renewable. The maximum annual scholarship is \$5,000 and can only be applied towards tuition and fees. Colleges select the recipients and determine the actual award amount when developing a scholar's financial aid package. Students are required to work in Indiana after graduation.

Nursing Scholarship Program
2004-05

Institution	Students	Awards
Public	360	\$270,416
Private	102	\$68,645
Total	462	\$339,061

***The Robert C. Byrd Honors
Scholarship Program***

The scholarship is designed to promote and award outstanding academic achievement of new college students. Students are chosen based on their class rank, grade point averages, and SAT/ACT test scores. It is funded by the federal government but administered by SSACI. It can be used to attend out-of-state colleges.

Byrd Scholarships
2004-05

Institution	Students	Amount
In-State		
Public	206	\$308,063
Private	141	\$210,125
Out-of-State		
Public	69	\$103,500
Private	177	\$264,250
Total	593	\$888,938

The Reciprocity Agreement Program

This program provides tuition assistance to Hoosier students residing in a six county area of southeastern Indiana: Dearborn, Franklin, Jefferson, Ohio, Ripley, and Switzerland counties. Three colleges participate in the program: Northern Kentucky University, the University of Cincinnati, and Cincinnati State Technical and Community College.

Under a special arrangement, Northern Kentucky does not report the number of participating students. There are two parts to this program: Higher Education Awards to eligible students and direct payments to the schools to offset out-of-state fees.

Reciprocity Agreement Direct Payments
2004-05

School	Students	Payments
Northern Kentucky	N/A	\$207,000
Cincinnati State	121	\$180,500
Univ. of Cincinnati	38	\$95,600
Totals	159	\$483,100

Specter Grant

SSACI administers an Indiana Department of Correction federal grant that provides financial aid support for youth offenders who have earned a GED or high school diploma and are enrolled in a higher education program at an eligible institution. A youth offender is a male or female under the age of 26 who is eligible for release or parole within five years.

The grants can be used at public or independent colleges that have programs approved by the Indiana Department of Corrections and SSACI. It can be used when the student is not eligible for state aid or to supplement state aid.

Specter Federal Grant
2004-05

Institutional Type	Students	Grants
Public	139	\$229,816
Private	82	\$156,000
Total	221	\$385,816



Outreach Activities

SSACI engages in an extensive series of education programs for all its constituents: students from the seventh grade through seniors in high school and college, parents familiar with the college experience and financial aid to those with little or no knowledge of either, high school and college admissions counselors, Indiana National Guard recruiters, early intervention program staff, college financial aid staff, state and federal legislators and their staff, and other state and federal government officials. At the start of the 2004-05 school year, SSACI held 14 counselor workshops, 8 financial aid nights, and two college fairs.

Through a variety of media, *SSACI* educates its constituents on preparing for college, choosing a college, general financial aid strategies, and the specific aid programs offered by the state. A variety of methods are used to get the message across:

- formal presentations to high school and college groups,
- publication of brochures, handouts, and flyers,
- maintenance of a World Wide Web site,
- on-line access to its databases for college financial aid and admissions offices,

and through the Scholars Program

- in-service training for state-wide early intervention staff,
- support for parents of high school students in arranging college campus visits and Core 40/Academic Honors academic counseling, and
- direct mailings to seventh and eighth graders and high school students.

AWARDS GRANTED

The following tables and charts show the awards used by students and the total expenditures of the Agency for 2004-05.

The first table shows the Frank O'Bannon Grant (Higher Education Award and the Freedom of Choice grant) broken down by institutional and award type: base awards at 80%, Core 40 at 90% and Academic Honors at 100% subsidy. The second table shows all major awards granted by the Agency: Higher Education, Freedom of Choice, 21st Century Scholarship, National Guard, and Part-time Awards. The tables are summarized in two sets of pie charts showing the number of students and total dollars, one set for the Frank O'Bannon Grant, the other for all major awards.

The third table lists all expenditures by the Agency for 2004-05: grants, programs, and administration. It combines state and federal resources as dollar amounts and as percentages of the total expenditures. The dollar amounts are summarized in a pie chart.

Tables: Summary of Major Awards and Grants

Awards Used by Students
Academic Year 2004-05

Higher Education Award and Freedom of Choice Grant by Subsidy Rates:
Base 80%, Core 40 90%, and Academic Honors 100% Subsidy Rates

Institutional Type		HEA	FOC	Base HEA	Base FOC	Core 40 HEA	Core 40 FOC	Honors HEA	Honors FOC
Public	Students	26,421		11,371		7,404		7,646	
	Mean	\$2,505		\$2,374		\$2,492		\$2,713	
	Median	\$2,516		\$2,460		\$2,436		\$2,668	
	Total	\$66,187,543		\$26,997,169		\$18,447,724		\$20,742,650	
Private	Students	12,045	12,045	4,624	4,624	2,723	2,723	4,698	4,698
	Mean	\$1,770	\$3,147	\$1,587	\$2,826	\$1,806	\$3,211	\$1,929	\$3,427
	Median	\$1,770	\$3,144	\$1,512	\$2,686	\$1,818	\$3,232	\$1,989	\$3,533
	Total	\$21,317,426	\$37,909,680	\$7,338,514	\$13,065,356	\$4,917,950	\$8,744,332	\$9,060,962	\$16,099,992
Proprietary	Students	2,371		2,064		257		50	
	Mean	\$1,211		\$1,185		\$1,382		\$1,379	
	Median	\$1,268		\$1,268		\$1,426		\$1,386	
	Total	\$2,870,669		\$2,446,441		\$355,292		\$68,936	
Reciprocity Agreement	Students	122		43		48		31	
	Mean	\$2,325		\$2,168		\$2,241		\$2,672	
	Median	\$2,102		\$2,000		\$2,026		\$2,370	
	Total	\$283,617		\$93,230		\$107,567		\$82,820	
Community College (IVTSC/VU)	Students	6,368		5,009		1,098		261	
	Mean	\$1,186		\$1,146		\$1,302		\$1,468	
	Median	\$1,002		\$950		\$1,136		\$1,368	
	Total	\$7,553,983		\$5,741,469		\$1,429,287		\$383,227	
All Schools	Students	47,327	12,045	23,111	4,624	11,530	2,723	12,686	4,698
	Mean	\$2,075	\$3,147	\$1,844	\$2,826	\$2,191	\$3,211	\$2,392	\$3,427
	Median	\$1,880	\$3,144	\$1,653	\$2,686	\$2,068	\$3,232	\$2,336	\$3,533
	Total	\$98,213,238	\$37,909,680	\$42,616,823	\$13,065,356	\$25,257,820	\$8,744,332	\$30,338,595	\$16,099,992



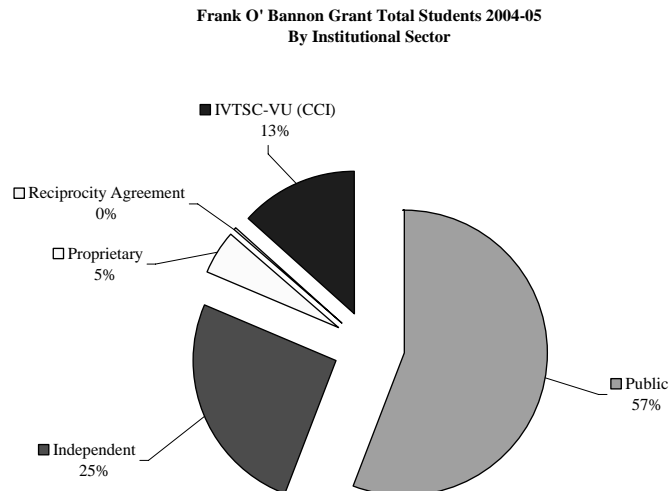
**Awards Used by Students
Academic Year 2004-05**

Higher Education, Freedom of Choice, 21st Century Scholarship, National Guard, and Part-time Awards

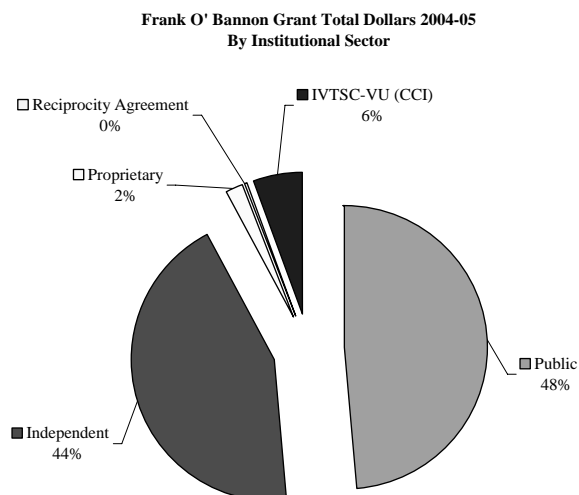
Institutional Type		All Awards	HEA	FOC	21 st Scholarships	National Guard Awards	Part-time Awards
Public	Students	29,994	26,421		5,323	653	2,894
	Mean	\$2,787	\$2,505		\$2,326	\$2,996	\$1,060
	Median	\$2,721	\$2,516		\$1,905	\$2,712	\$973
	Total	\$83,592,865	\$66,187,543		\$12,380,391	\$1,956,340	\$3,068,591
Private	Students	12,847	12,045	12,045	1,395		870
	Mean	\$4,965	\$1,770	\$3,147	\$2,198		\$1,719
	Median	\$4,814	\$1,770	\$3,144	\$1,820		\$1,517
	Total	\$63,789,061	\$21,317,426	\$37,909,680	\$3,066,541		\$1,495,414
Proprietary	Students	2,449	2,371		256		
	Mean	\$1,273	\$1,211		\$969		
	Median	\$1,268	\$1,268		\$568		
	Total	\$3,118,678	\$2,870,669		\$248,009		
Reciprocity Agreement	Students	122	122				
	Mean	\$2,325	\$2,325				
	Median	\$2,102	\$2,102				
	Total	\$283,617	\$283,617				
Community College (IVTSC/VU)	Students	8,518	6,368		1,407	127	2,011
	Mean	\$1,202	\$1,186		\$997	\$1,292	\$556
	Median	\$993	\$1,002		\$770	\$1,022	\$580
	Total	\$10,238,813	\$7,553,983		\$1,403,199	\$164,054	\$1,117,577
All Schools	Students	53,930	47,327	12,045	8,381	780	5,775
	Mean	\$2,986	\$2,075	\$3,147	\$2,040	\$2,718	\$984
	Median	\$2,465	\$1,880	\$3,144	\$1,646	\$2,363	\$788
	Total	\$161,023,034	\$98,213,238	\$37,909,680	\$17,098,140	\$2,120,394	\$5,681,582

Charts: Comparison of Students and Dollars for the Frank O'Bannon Grant in 2004-05 by Institutional Type

Total Number of Students Receiving Frank O'Bannon Grant by Institutional Type



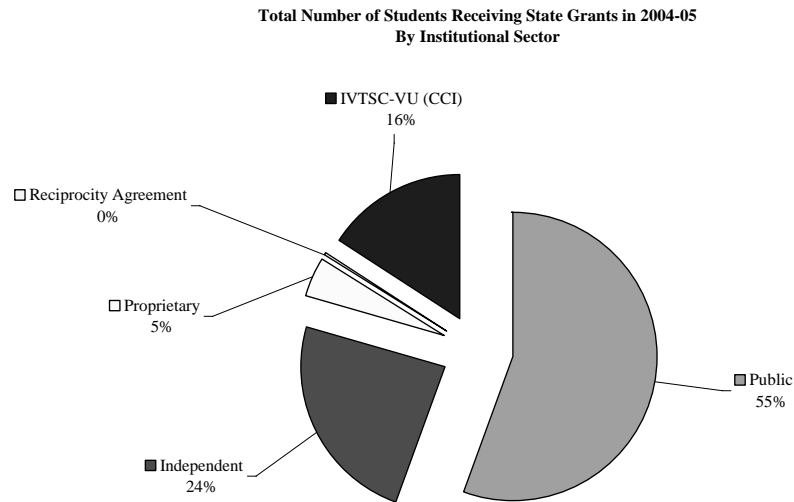
Total State Frank O'Bannon Dollars Awarded by Institutional Type





Charts: Comparison of Students and Dollars for All Major Grants in 2004-05 by Institutional Type

Total Number of Students Receiving All Major State Grants by Institutional Type



Total State Grant Dollars Awarded by Institutional Type

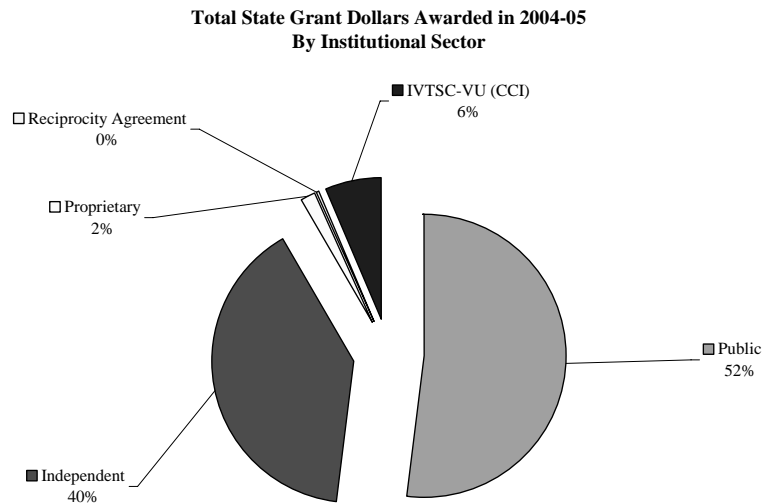


Table: Summary of All Agency Expenditures: 2004-05**Expenditures From All Sources, State and Federal 2004-2005**

Values in this table may differ from those in the text: the table is based on the fiscal year and the text values on the academic year.

	Dollars	Percent
Programs, Awards & Grants		
Higher Education Award	\$98,213,238	51.12%
Freedom of Choice	\$37,909,680	19.73%
Hoosier Scholars	\$376,500	0.20%
Reciprocity Agreements	\$483,100	0.25%
Part-time Grant	\$5,681,582	2.96%
National Guard Grant	\$2,120,394	1.10%
Specter Grant	\$385,816	0.20%
Fee Remission	\$15,533,213	8.08%
Minority and Special Education Teacher Scholarship	\$342,817	0.18%
Paul Douglas Teacher Scholarship Program	\$0	0.00%
State College Work Study	\$781,826	0.41%
Nursing Scholarship	\$343,461	0.18%
21st Century Scholarships	\$17,098,140	8.90%
21st Century Early Intervention (State)	\$2,158,112	1.12%
21st Century Early Intervention Gear Up	\$7,718,073	4.02%
Robert C. Byrd Scholarships	\$891,938	0.46%
Total Awards & Grants	\$190,037,890	98.91%
Administrative Expenditures		
Scholarships & Grants	\$1,039,856	0.54%
Minority and Special Education Teacher Scholarship	\$3,665	0.00%
Paul Douglas Teacher Scholarship Program	\$0	0.00%
State College Work Study	\$136,770	0.07%
Nursing Scholarship Program	\$32,081	0.02%
Robert C. Byrd Scholarship Program	\$0	0.00%
Department of Corrections Grant	\$19,291	0.01%
21st Century Administration	\$864,820	0.45%
Total Administrative Expenditures	\$2,096,483	1.09%
Total Expenditures	\$192,134,373	100.00%



Chart: Combined Program, Award, and Grant Expenditures 2004-05

